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SUBJECT: WHERE HAVE ALL THE FLOWERS GONE?

¶1. (U) Summary: The USG estimate of poppy cultivation in Laos for 2007 is 1100 hectares, down from 43,150 hectares in 1989. Laos, at one time the world's third largest producer of illicit opium, stands poised to end its tenure as a part of the golden triangle. After an investment of more than 18 years and forty million dollars, U.S. counter narcotics programs in Laos have helped bring about a 97.4 percent decrease in production. Poppy cultivation is now only 100 hectares above the majors threshold (set by law at 1000). Production could drop further if these efforts can be sustained and if the thousands of former growers, now in dire economic circumstances, can be persuaded not to resume the only way they know to make a living. A final infusion of alternative development assistance could address the latter issue; absent that, this victory remains tenuous at best.
End Summary.

Laos: The Great Unheralded Victory in the War On Drugs

¶2. (U) From the late 1980's until 2005, Laos was the third largest producer of opium poppy in the world. Significant poppy cultivation took place in about ten of 17 provinces, and authorities took no significant action against it, though they did tax opium until the mid 1990's. Laos exported significant quantities of heroin to world markets including the U.S., and was home to the world's largest number of users of unprocessed opium. In 1989, when U.S. counternarcotics programs began in Laos, the USG estimated poppy cultivation in Laos at 43,150 hectares.

¶3. (U) Today, cultivation is estimated at 1100 hectares, a 97.4% decrease from project inception. Production has declined precipitously since 2002, according to USG estimates:

Year	Hectares
2002	23,200
2003	18,900
2004	10,000
2005	5,600
2006	1,700
2007	1,100

Laos has been on the USG list of major illicit drug source countries since that list was created in 1987. This year, Laos has the potential, after a 20-year tenure on the list, to finally drop off. A decline of but 100 hectares could achieve this and complete the collapse of the golden triangle region to a single source country: Burma. Opium production

in Laos is now entirely for the domestic demand generated by the vestige of its once widespread addict population; commercial production for export is a thing of the past. Most interesting of all, this was achieved almost entirely through alternative development programs and drug education, without any coordinated national effort at involuntary eradication.

Changing the Culture of Opium Production in Laos

¶4. (U) The rapid decline in Laos' opium production has come in combination with a change in attitudes about opium cultivation in the rural upland districts where it was grown for decades. Thanks in part to U.S.-supported opium awareness campaigns, poppy cultivation is no longer the acceptable activity that it once was. In districts where opium fields were planted along the roads only a few years ago, growers are now scorned, and even the remotest fields are cut if detected by local authorities. Opium has gone from being a major albeit illicit crop common throughout northern Laos to something planted only by the desperate in very small and well concealed patches.

Conclusion: Can It Last?

¶5. (U) This is clearly positive, but Lao officials, foreign experts, and poppy growers all express concern that it may not be possible for the GOL to sustain. The GOL estimates that half or more of all former poppy growers have yet to receive any significant assistance from any source to establish alternative livelihoods. The World Food Program

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reports that, in a number of communities formerly dependent on poppy, serious and widespread food security issues have emerged this year. In announcing the UNODC poppy survey results for 2007, the UNODC Country Director and the Chairman of the Lao National Commission for Drug Control and Supervision (LCDC) both expressed concern that the needs of this population cannot be effectively addressed, there are grounds for serious concern that farmers might be compelled to revert to poppy cultivation or starve.

McGeehan